

# PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: **Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW Washington, DC 20503.**

1. Agency/Subagency originating request

**Department of the Interior  
Minerals Management Service**

2. OMB control number

a. 1 0 1 0 - 0 1 0 3

b.    None

3. Type of information collection (check one)

- a.    New collection  
b. ☒ **Revision of a currently approved collection**  
c.    Extension of a currently approved collection  
d.    Reinstatement, without change, of a previously approved collection for which approval has expired  
e.    Reinstatement, with change, of a previously approved collection for which approval has expired  
f.    Existing collection in use without an OMB control number

For b-f, note item A2 of Supporting Statement instructions

4. Type of review requested (check one)

- a. ☒ **Regular**  
b.    Emergency - Approval requested by:   /  /    
c.    Delegated

5. Small entities

Will this information collection have a significant economic impact on a substantial number of small entities?    Yes ☒ **No**

6. Requested expiration date

- a. ☒ **Three years from approval date**  
b.    Other Specify:

7. Title

**30 CFR Part 202—Royalties, Subpart C and Subpart J; and Part 206—Product Valuation, Subpart B and Subpart E.**

8. Agency form number(s) (if applicable)

**Forms MMS-4109, MMS-4110, MMS-4295, MMS-4410, and MMS-4411.**

9. Keywords

**Tribal and allotted Indian leases, index pricing point, arm's-length sales prices, valuation, royalty, safety net price, natural gas, oil, Secretary, Indian lands, leased lands, reasonable and actual costs, product valuation, allowance determination, royalties, lessees, gas plant products, processing or sales point, arm's length, non-arm's-length, royalty payors, transportation or processing allowances, lease, lease number, agreement number, leased lands, mineral royalties, reporting and recordkeeping requirements, major portion price, index price**

10. Abstract

**This ICR consolidated relevant portions of six ICRs that concern different aspects of Indian oil and gas lease requirements. In order for MMS to determine whether proper royalties are paid on minerals produced from Indian leases, we must collect information to verify allowable deductions. We must determine if lessees are complying with the dual accounting requirements and using the safety net calculation, which establishes the minimum value for royalty purposes. The information collected is essential to ensure that royalties are accurately valued and appropriately paid or distributed.**

11. Affected public (Mark primary with "P" and all others that apply with "X")

- a.    Individuals or households  
b. ☒ **Business or other for-profit**  
c.    Not-for-profit institutions  
d.    Farms  
e. ☒ **Federal Government**  
f. ☒ **State, Local or Tribal Government**

12. Obligation to respond (Mark primary with "P" and all others that apply with "X")

- a. ☒ **Voluntary**  
b. ☒ **Required to obtain or retain benefits**  
c. ☒ **Mandatory**

13. Annual reporting and recordkeeping hour burden

- a. Number of respondents 123  
b. Total annual responses 210  
1. Percentage of these responses collected electronically 5 %  
c. Total annual hours requested 1,276  
d. Current OMB inventory 1,836  
e. Difference (560)  
f. Explanation of difference  
1. Program change +1  
2. Adjustment (561)

14. Annual reporting and recordkeeping cost burden (in thousands of dollars)

- a. Total annualized capital/startup costs 0  
b. Total annual costs (O&M) 0  
c. Total annualized cost requested 0  
d. Current OMB inventory 0  
e. Difference 0  
f. Explanation of difference  
1. Program change  
2. Adjustment

15. Purpose of information collection (Mark primary with "P" and all others that apply with "X")

- a. ☒ **Application for benefits**  
b.    Program evaluation  
c.    General purpose statistics  
d. ☒ **Audit**  
e.    Program planning or management  
f.    Research  
g. ☒ **Regulatory or compliance**

16. Frequency of recordkeeping or reporting (check all that apply)

- a. ☒ **Recordkeeping**  
b.    Third party disclosure  
c. ☒ **Reporting**  
1. ☒ **On occasion**  
2.    Weekly  
3.    Monthly  
4.    Quarterly  
5.    Semi-annually  
6. ☒ **Annually**  
7.    Biennially  
8.    Other (describe)

17. Statistical methods

Does this information collection employ statistical methods?

   Yes ☒ **No**

18. Agency contact (person who can best answer questions regarding the content of this submission)

Name: Sharron L. Gebhardt

Phone: (303) 231-3211

**April 14, 2006**

## 19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

**Note:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention period for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3);
  - (i) Why the information is being collected;
  - (ii) Use of information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

**MMS ICCO**

**OMB Control No.: 1010-0103**

Signature of Senior Official or designee

Date

**H. Theodore Heintz**